

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA)	Criminal Case No. 23cr10258
)	
v.)	Violation:
)	
STEPHEN SCHOFIELD,)	<u>Count One</u> : Failure to Pay Over Taxes
)	(26 U.S.C. § 7202)
Defendant)	
_____)	

INFORMATION

At all times relevant to this Information:

General Allegations

1. The defendant, STEPHEN SCHOFIELD (SCHOFIELD), resided in Melrose, Massachusetts. SCHOFIELD operated and controlled Schofield Concrete Forms and Schofields of Melrose, Inc. (together the “Schofield Companies”), located in Stoneham and Melrose, Massachusetts, respectively.

2. In 2004, SCHOFIELD transferred ownership of the Schofield Companies to a family member, but continued to personally operate the businesses and was in charge of all bookkeeping and payroll for employees of the companies. SCHOFIELD was thereby responsible for filing payroll tax returns and for paying all payroll taxes.

Federal Employment Taxes

3. As employers, the Schofield Companies were required to collect and pay over federal employment taxes. Federal employment taxes consist of two parts: (a) income taxes withheld from employee wages and (b) Federal Insurance Contributions Act (“FICA”) taxes. FICA taxes consist of Social Security taxes and Medicare taxes. For any given employee, one-half of the applicable FICA taxes is withheld from the employee’s wages and the other half is paid

by the employer. Federal tax law requires employers to collect, account for and pay over to the Internal Revenue Service (“IRS”) both the withheld taxes (i.e., the employee’s income tax withholdings and one-half of the FICA taxes) and the taxes owed by the employer itself (i.e., the employer portion of the FICA taxes).

4. Employers are required to file a Form 941, Employer’s Quarterly Federal Tax Return, which is used to report all wages paid to employees and all federal employment taxes on those wages. Most employers are required to file Form 941 four times per year, one Form 941 for each quarter ending March 31; June 30; September 30; and December 31. Employers are required to pay over to the IRS the applicable federal employment taxes on the same quarterly basis.

Failure to Pay Over Employment Taxes

5. For the tax years 2010 through 2020, SCHOFIELD caused the Schofield Companies to withhold federal and state taxes and FICA taxes from employees’ wages.

6. For the tax years 2010 through 2020, SCHOFIELD issued W-2 Forms to the employees of the Schofield Companies—reflecting that federal, state and FICA taxes had been withheld from employee wages—but did not pay over to the IRS the taxes withheld from the employees.

7. For the tax years 2010 through 2020, SCHOFIELD caused the Schofield Companies to fail to file IRS Forms 941 to report the wages received by the employees, the taxes withheld from employee wages, and the employment taxes due.

8. For the tax years 2010 through 2020, SCHOFIELD caused the Schofield Companies to fail to pay over to the IRS the employment taxes due.

9. The federal tax losses from the payroll tax fraud scheme total approximately \$1,051,000.

COUNT ONE
Failure to Pay Over Taxes
(26 U.S.C. § 7202)

The United States Attorney charges:

10. The United States Attorney re-alleges and incorporates by reference paragraphs 1 through 9 of this Information.

11. From on or about December 31, 2019 through on or about January 31, 2020, in the District of Massachusetts and elsewhere, the defendant,

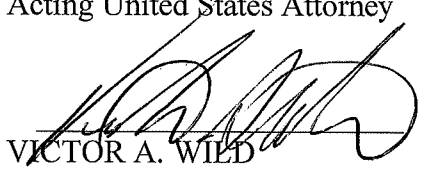
STEPHEN SCHOFIELD,

a person required to collect, account for, and pay over any tax, willfully failed to collect, account for, and pay over to the Internal Revenue Service the federal income taxes required to be withheld and Federal Insurance Contributions Act taxes due and owing to the United States on behalf of Schofield Concrete Forms and Schofields of Melrose and their employees for the quarter ending December 31, 2019.

All in violation of Title 26, United States Code, Section 7202.

JOSHUA S. LEVY
Acting United States Attorney

By:


VICTOR A. WILD
Assistant United States Attorney

September 22, 2023